

# Legislative Update

Utah Health Care Association  
Fall Conference  
Wednesday, October 1, 2008

Presented by:

Michael Hales, Director  
Division of Health Care Financing

# Special Session

- Rollback 7/1/2008 Inflation including:
  - ICF/MR daily rates
  - NF daily rates
  - Add-on rates
    - BC
    - SRS
    - ISC (Vent, Trach)
- Crossover payments limited to Medicaid fee schedule

# Special Session

- Eliminate selected Optional services
  - Occupational Therapy
  - Physical Therapy
  - Speech and Hearing
  - Vision Care (eyeglasses)
  - Chiropractic Services

# Utah Medicaid

## FRV, Rates, QIs...

Utah Health Care Association, Fall Conference  
Wednesday, October 1, 2008

Presented by:

John Curless, Director

John Bromberger, Associate Actuary

Bureau of Coverage & Reimbursement Policy

# Remember:

## H.B. 366 – FRV Related

- **No** recognition of bed banking
- Changes in minimum occupancy used:
  - **Urban at 85%** (Cache, Weber, Davis, Salt Lake, Utah, and Washington counties)
  - **Rural at 65%** (All other counties)
- Update of RS Means (bed value) only for facilities having completed and reported qualifying Addition, Replacement, or Major Renovation project(s).

# What was the impact?

## H.B. 366 – FRV Related

	FRV	Tax / Ins Pass- through	Total Property
Average April '08	\$16.39	\$1.46	\$17.85
Average July '08	\$14.85	\$1.41	\$16.27
Difference	(\$1.54)	(\$0.05)	<b>(\$1.58)*</b>
Greatest Gain	\$4.08	\$3.28	\$4.41
Greatest Loss	(\$8.88)	(\$4.68)	(\$9.65)
Average Change	(\$1.52)	(\$0.06)	(\$1.58)
Highest FRV	\$25.10		
Lowest FRV	\$9.91		

\*Reductions in FRV are absorbed by case mix rate component.

# Quality Improvement Incentives

State Fiscal Year  
2008 - **Summary**

# SFY08 Quality Incentives

Incentive	Facility Count	Qualify Facility Count	% of Total Qualify	Total Payout	Total Facility Expenses	Expenses above Payout
ICF/MR QII	14	14	100%	\$200,000	N/A	N/A
NF QII 1	77	63	82%	\$1,000,000	N/A	N/A
NF QII 2 Software	77	43	56%	\$428,065	\$995,706	\$567,642
NF QII 2 Hardware	77	43	56%	\$374,443	\$487,914	\$113,471
NF QII 3 HVAC	77	62	81%	\$921,752	\$1,797,652	\$875,899
NF QII 4 Dining	77	57	74%	\$560,350	\$953,958	\$393,608



# Quality Improvement Incentives (QII)

State Fiscal Year  
2009

# SFY09 QII

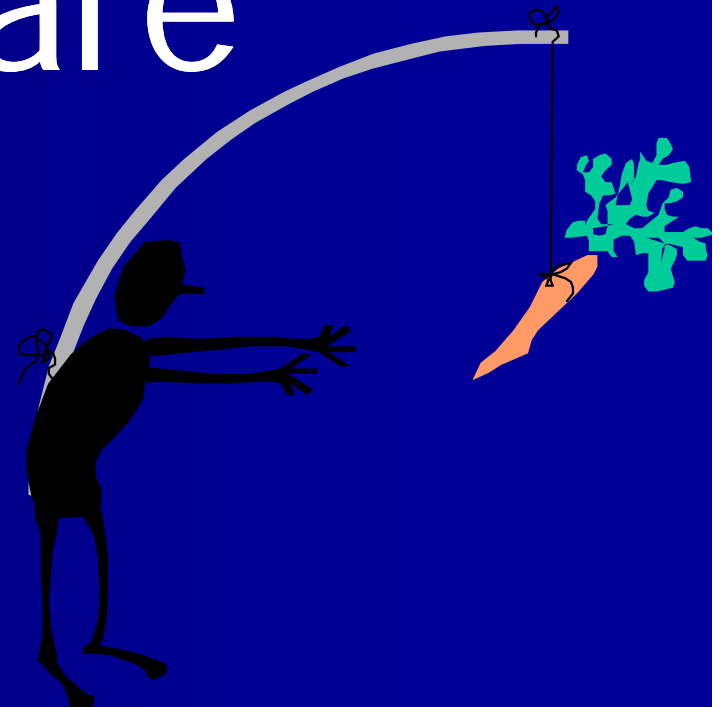
- General information:
  - Incentive period is 7/1/2008 – 6/30/2009
  - All applications and documentation must be **RECEIVED** no later than 6/8/2009
  - Clearly mark and organize all supporting documentation
  - Application forms are on the website
  - See R414-504-4 (NFs) and R414-504-5 (ICF/MRs) for more detail

# SFY09 QII

- ICF/MR Quality Incentive
- NF QII1 – Quality Plan, etc.
- NF QII2 – Nurse Call Systems
- NF QII3 – Patient Lift Systems
- NF QII4 – Side-entry Bathing Systems

# F.Y.I.

These QII  
programs are  
now CMS  
approved



# SFY09 ICF/MR QII

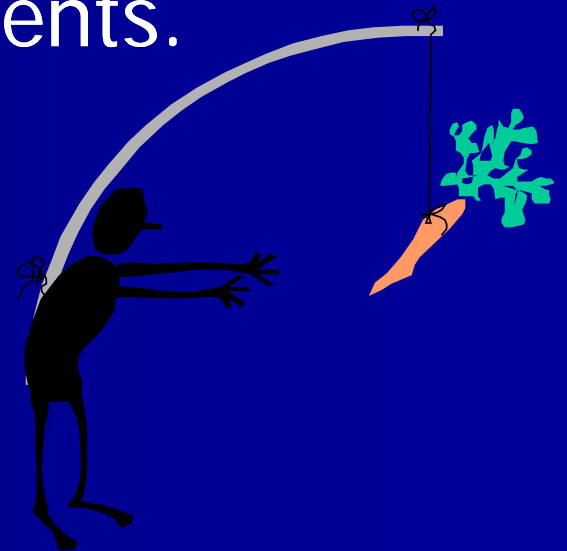
- Same requirements of SFY08 plus the following:
  - “customer satisfaction surveys conducted by an independent third party in each quarter of the incentive period”
- Total payout of \$200,000
- Due on or before June 8, 2008

# SFY09 NF QII 1

- Same requirements of SFY08 plus:
  - “an employee satisfaction program”
    - Could include employee satisfaction surveys, tuition reimbursement, gym memberships, exit interviews, employee assistance program, incentive/bonus structure, etc.
    - With Application, include a description of the program and how it has benefitted employees
- Total payout of \$1,000,000
- Due on or before June 8, 2008

# Clarification: NF QII 2-4

It is not the intent of the Division to cover all the facility incurred costs under these incentive programs, rather the money is to encourage facilities to make improvements.



# SFY09 NF QII 2

## ■ Nurse Call System

- May receive up to \$390.51 per Medicaid certified bed
- The facility has purchased or upgraded their nurse call system with the date of purchase on or after July 1, 2006.
- The nurse call system must be compliant with approved *Guidelines for Design and Construction of Health Care Facilities*.



# SFY09 NF QII 2

## ■ Nurse Call System (cont.)

- The emergency call system shall be designed so that a call activated by a resident will initiate a signal distinct from the regular staff call system and that can be turned off only at the resident's location.

# SFY09 NF QII 2

## ■ Nurse Call System (cont.)

- The signal shall activate an annunciator panel or screen at the staff work area or other appropriate location, and either a visual signal in the corridor at the resident's door or other appropriate location, or staff pager indicating the calling resident's name and/or room location, and at other areas as defined by the functional program.

# SFY09 NF QII 2

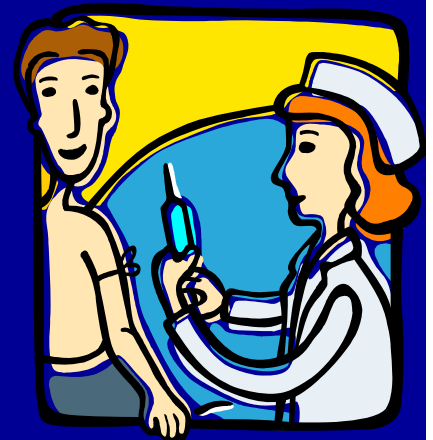
## ■ Nurse Call System (cont.)

- The nurse call system does not **primarily** use overhead paging; rather a different type of paging system is used.
  - The paging system could involve pagers, cell phones, PDA devices, hand-held radio, etc.
  - If radio frequency systems are used, consideration should be given to electromagnetic compatibility between internal and external sources.

# SFY09 NF QII 2

## ■ Nurse Call System (cont.)

- The nurse call system must be capable of tracking and reporting response times (e.g. the length of time from the initiation of the call to the time a nurse enters the room and answers the call).
- Due on or before June 8, 2009



# SFY09 NF QII 3

## ■ Patient Lifts

- The facility has purchased a patient lift system with the date of purchase on or after July 1, 2007.
- Normal duty lifts must be capable of lifting patients weighing up to 450 pounds.
- Heavy duty lifts must be capable of lifting patients weighing up to 1,000 pounds.
- Must purchase at least one of each or two heavy duty to qualify.
- May receive up to \$90 per Medicaid certified bed

## ■ Due on or before June 8, 2009

# SFY09 NF QII 4

## ■ Patient Bathing System

- The facility has purchased a bathing system with the date of purchase on or after July 1, 2007.
  - The Bathing System must have a **side-entry** door that allows the patient to enter the bath without having to step over or be lifted into the bathing area.
  - May receive up to \$110 per Medicaid certified bed
- **Due on or before June 8, 2009**

**SFY09**

**NF QII 2-4**

- **Potential payout per Medicaid Certified bed:**
  - Nurse Call System – up to \$390.51
  - Patient Lifts – up to \$90
  - Patient Bathing Systems – up to \$110
  - No Facility may receive incentive payments in excess of documented costs.

# SFY09

## NF QII 2-4

- How to document costs:
    - Provide invoice(s)
  - and**
  - Provide proof of payment
    - Payment receipt(s) from vendor(s)
    - Credit card receipt(s)
    - **Cancelled** check(s)
    - Debt instrument(s)
- (Internal accounting documents are not proof.)



**SFY09**

**NF QII 2-4**

Q: When may you submit the applications?

A: Anytime prior to June 8, 2009.

Q: When will I get paid?

A: Upon approval of the application, the payment will be made in 2-4 weeks.

Q: Will you take my application today?

A: Absolutely.

# SFY09 QIIs

## Question:

If you are not pursuing these programs, why not?

(If you are not comfortable discussing now, please see me after. **I really want to know!**)

# Rules Update

- R414-504 – QIIs, etc.
- R414-27 – Medicaid Certification
- R414-508 – Transfer of bed licenses

(See <http://www.rules.utah.gov/> for details)

# ICF/MR Wage Analysis Update

Forms will be posted to the website soon to allow us to gather updated direct care wage data. Letters will follow.

# Rate Rebasing

Rates were not rebased  
7/1/08 as originally planned.

# Facility Cost Profile & FRV Data Reports

# FCP Reports – Common Issues

Stay tuned...

Audits will begin shortly and occur over the next several months. If there are issues you will be notified.

Direct audit questions to:

Roger Price (rogerprice@utah.gov)

Dick Jeffs (dickjeffs@utah.gov)

# FRV Data Report

- Due date: 1<sup>st</sup> Business day of March
  - No exceptions
  - Late reports will **not** be considered
- Reporting Elements:
  - Additions, Replacements, Renovations  
(Don't forget about R414-27)
  - Capitalization threshold
  - (Cont.)



# FRV Data Report (Cont.)

- Reporting Elements (Cont.):
  - Real Property Tax
  - Real Property Insurance
  - Square Footage
  - Patient Days

# FRV Data Report Audits

- **Points of Attention:**

- Organize supporting documentation
  - Cross-reference to project line number
- Complete documentation
  - Invoices and proof of payment (i.e., cancelled check, etc.)

# FRV Data Report Audits

## ■ Points of Attention:

- Include capitalization threshold
- Follow all Instructions
- Pay attention to the detail
- Review of documentation by Administrator

Case

Mix

Minimum Data Set  
Data

# Case Mix

- **MDS data must be correct!!!**

- The rates depend on it!

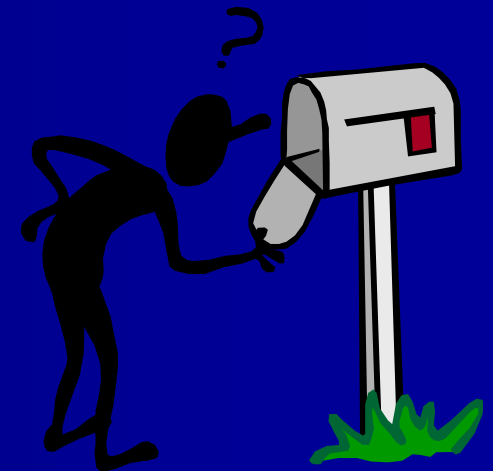
- If you find errors, or we point them out to you, you have 7 days to correct the issue.
- How do I know if I have issues?
  - Read the "Initial Validation Report"
  - Read the "Final Validation Report"
  - Request a "Case Mix Detail Report"

# Case Mix Detail Report

- Why is this report valuable?
  - Identify issues with:
    - Resident Medicaid ID
    - Social Security Number
    - Medicare Code Qualifier
    - Historical timing of the records (i.e., is there a discharge without a re-entry or an admission record, etc.)
  - Inaccurate data is harmful to the rate setting process.
  - Payments may be withheld.

# Case Mix Detail Report

- How to request the report:
  - Submit a request,
  - on your facility's letterhead,
  - to **John Bromberger**
  - **using the template provided** on the CRP Bureau's website (check for updates quarterly)



<http://health.utah.gov/medicaid/stplan/longtermcare.htm>

## Utah Medicaid Program

Utah Medicaid Program Home Page

Medicaid A-Z

Programs

Provider

Clients

Questions?

Español

### Reimbursement Unit

Randy K. Baker, Reimbursement Unit Manager

## Long-Term Care Resources

For questions, contact

[John Bromberger](#)

801 538 9189

### Mailing information:

#### Via U.S. Post Office

Utah Department of Health  
DHCF, BCRP  
Attn: John Bromberger  
PO Box 143102  
Salt Lake City, UT 84114-3102

#### Via UPS or FedEx

Utah Department of Health  
DHCF, BCRP  
Attn: John Bromberger  
288 North 1460 West  
Salt Lake City, UT 84116-3231

**If you are unsure about an issue, please ask questions.**

### Nursing Facility:

[Utah Medicaid Nursing Facility Rates](#) - Rates for Utah Nursing Facilities for the period 7/1/2008 through 9/30/2008.  
([click here for historical rates](#))

[Add-On Rate History](#) - Listing of all Nursing Home add-on rates since 7/1/2004

[Case Mix Preview Report](#) - Nursing homes may request a preview report of the MDS data used in upcoming quarter's case mix portion of the rate. This section outlines how to request the report for your facility.



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Randy K. Baker, Reimbursement Unit Manager

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# Case Mix Detail Report

- “Case Mix Preview Report”
  - You should submit this letter, as directed on the website, **at least** two months prior to the next rate effective date.
  - Pay attention to the details
    - Facility Medicaid ID
    - Address
    - **Request period**
    - Secondary recipients



# Case Mix Detail Report

- “Case Mix Preview Destroyed Report”
  - You must submit this letter, as directed on the website, within 60 days of the report date. Failure to do so will preclude you from receiving future reports.
  - **Don't wait for, or count, on a reminder.**
  - When you send this letter, send in your request for the next quarter's report. (When the data is available, the report will be sent out.)
  - Make sure you list the correct CRP number!!!

# Case Mix Detail Report Benefits

- See, by resident, all assessment records for the past ~8 months
- Identify **some** errors
  - SSN
  - Medicaid ID
  - Timing of assessment data
- **Validate the Division's calculation of your case mix, by resident, by record**

# MDS Data Elements to Watch

- AA7 - Medicaid Number
  - In Utah, this should be **10-digits**
  - If pending, then **+** (Pending Medicaid records are no longer used in the case mix calculation.)
  - “N” if not Medicaid or Pending Medicaid
  - **NEVER** leave blank.
  
- AA5A – Social Security Number
  - 9-digits

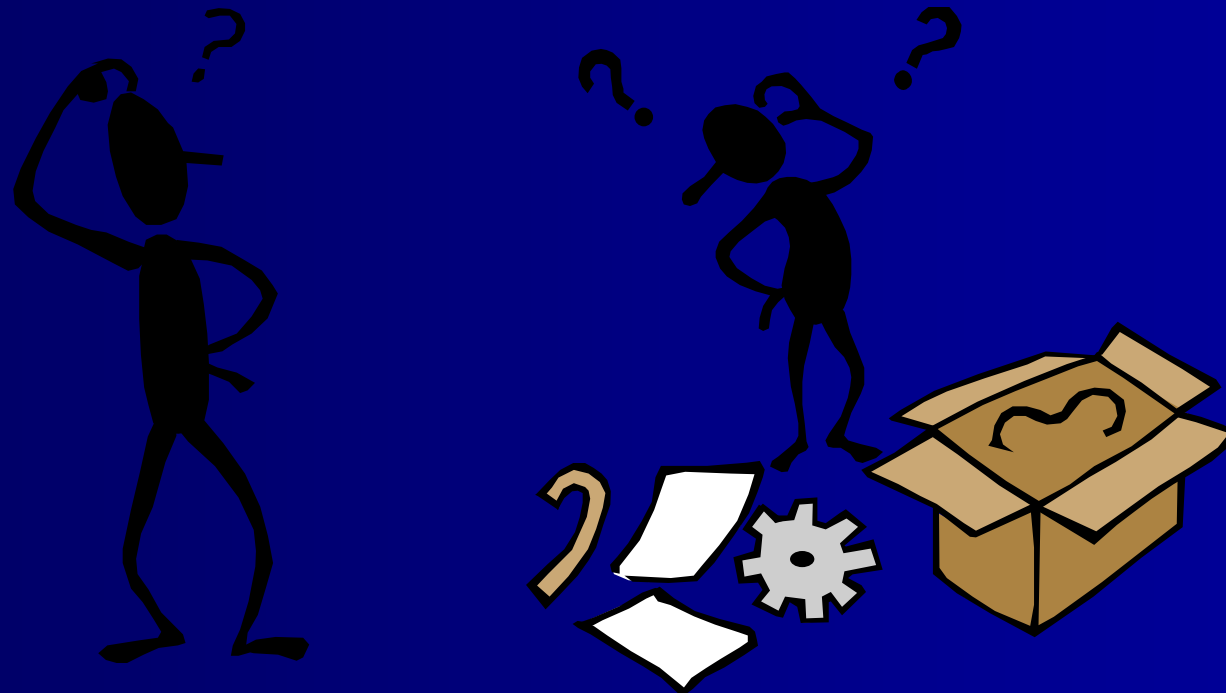
# Note on MDS Question AA8b

- All assessment codes are Medicare except "6" - Other State required assessment (currently "6" is not used)
- No value in this field would indicate a non-Medicare assessment
- The combination of a 10-digit Medicaid ID in AA7 **and** no value for AA8b indicates a Medicaid assessment

# Case Mix Calculation Timing

- DHCF's MDS Data – Our data table is refreshed each Monday.
- If you have corrections to make, be sure to get them in **before** our data is refreshed for use in setting rates.

# MDS QUIZ



**This Is Important Stuff!**



# Which is a Medicare Assessment?

- A. AA8B = 6
- B. AA8B = 4
- C. AA8B = Null
- D. Both A and C
- E. None of the Above

# Which is a Medicare Assessment?

- A. AA8B = 6
- B. AA8B = 4
- C. AA8B = Null
- D. Both A and C
- E. None of the Above

**“B” is correct!!!**

# Which is a Medicaid Assessment?

- A. AA8B = 6
- B. AA8B = 4
- C. AA8B = Null
- D. Both A and C
- E. None of the Above

# Which is a Medicaid Assessment?

- A. AA8B = 6
- B. AA8B = 4
- C. AA8B = Null
- D. Both A and C
- E. None of the Above

**Trick Question:**  
There is no clear answer.

“C” would be correct, if there was also a 10 digit Medicaid ID.

“6” is “other state required” and the state has not required.

Which indicates a Medicaid or pending Medicaid resident?

- A. 10 digits
- B. 9 characters
- C. + (Plus Sign)
- D. Both A and C
- E. None of the Above

Which indicates a Medicaid or pending Medicaid resident?

- A. 10 digits
- B. 9 characters
- C. + (Plus Sign)
- D. Both A and C**
- E. None of the Above

**“D” is correct!!!**

When is it appropriate to enter an admit date on an assessment?

- A. Anytime
- B. When it feels right
- C. On a resident's initial assessment
- D. When Dirk confirms it's alright
- E. None of the Above

When is it appropriate to enter an admit date on an assessment?

- A. Anytime
- B. When it feels right
- C. **On a resident's initial assessment**
- D. When Dirk confirms it's alright
- E. None of the Above

**“C” is correct!!!**



# What data is used to calculate your facility's case mix score?

- A. Minimum Data Set (Medicaid records)
- B. Minimum Data Set (All records)
- C. Minimum Data Set + Claims Data
- D. Whatever (It varies with the orbit of the earth)
- E. Our data use agreement precludes me from “disclosing, revealing, showing, renting, leasing, selling, etc.” this information.

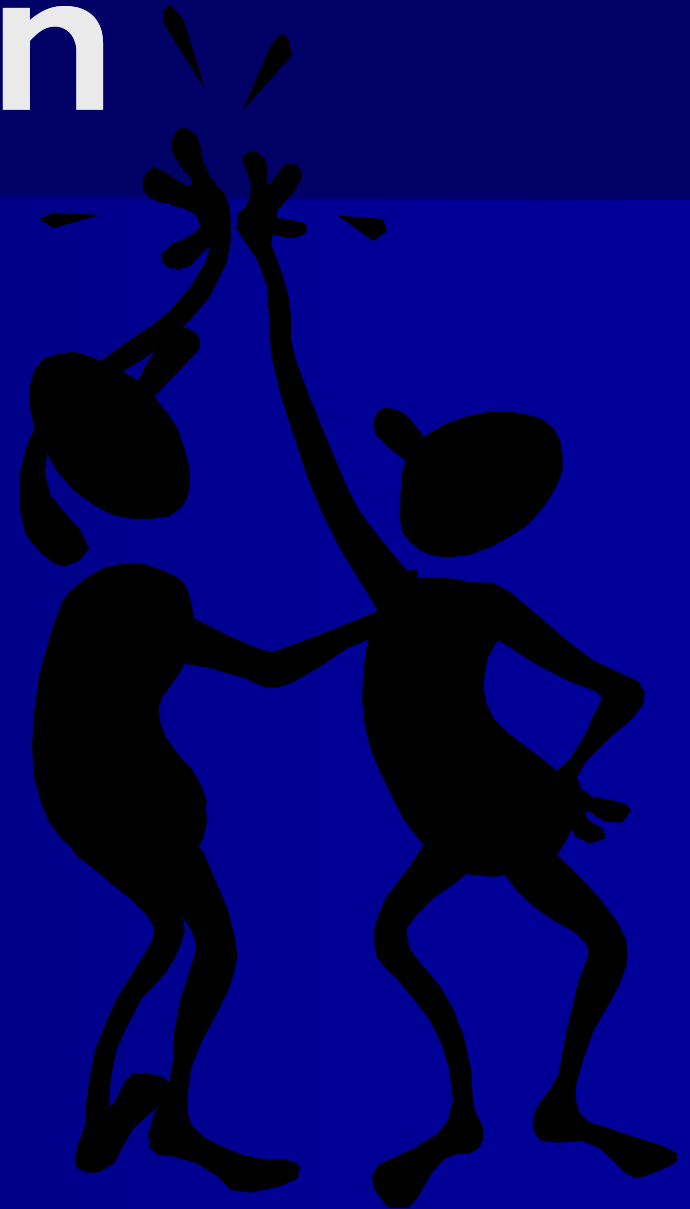
What data is used to calculate your facility's Medicaid case mix score?

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- D. Whatever (It varies with the orbit of the earth)
- E. Our data use agreement precludes me from “disclosing, revealing, showing, renting, leasing, selling, etc.” this information.

**“A” is correct!!!**

# Conclusion

(Hooray!!!)



# Summary

- ICF/MR QII – Customer satisfaction surveys added
- NF QII 1 – Employee satisfaction added
- NF QII 2-4
  - Don't wait too long to submit applications
  - Be sure to include all required supporting documentation.

# Summary

- Rules / State Plans
- MDS – Stay current and be accurate

# Questions?

**John Bromberger**

**Associate Actuary**

**Bureau of Coverage  
and Reimbursement Policy**

**[jbromberger@utah.gov](mailto:jbromberger@utah.gov)**

**801-538-9189**

